

## 37 Am. Jur. 2d Fraud and Deceit § 57

American Jurisprudence, Second Edition | May 2021 Update

### Fraud and Deceit

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### III. Means of Perpetration

#### C. Obtaining Goods or Services with Intent Not to Pay

## § 57. Effect of lack of reasonable expectation of ability to pay

[Topic Summary](#) | [Correlation Table](#) | [References](#)

### West's Key Number Digest

West's Key Number Digest, [Fraud](#)  27, 28

There is a conflict of authority as to whether the fact that a purchaser of goods has no reasonable expectation of being able to pay for them is equivalent to an intention on his or her part not to pay for them, some courts holding that it is equivalent to such an intention,<sup>1</sup> particularly where coupled with insolvency and concealment thereof.<sup>2</sup> Other courts hold directly to the contrary<sup>3</sup> even though the purchaser is insolvent and conceals that fact from the seller.<sup>4</sup>

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### Footnotes

<sup>1</sup> [Manly v. Ohio Shoe Co.](#), 25 F.2d 384, 59 A.L.R. 413 (C.C.A. 4th Cir. 1928); [Luhrig Coal Co. v. Ludlum](#), 69 Ohio St. 311, 69 N.E. 562 (1903).

As to the presumption of an intent not to pay from a lack of reasonable expectation of being able to pay, see [§ 465](#).

<sup>2</sup> [§ 58](#).

<sup>3</sup> [German Nat. Bank of Ripon v. Princeton State Bank](#), 128 Wis. 60, 107 N.W. 454 (1906).

<sup>4</sup> [§ 58](#).

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